LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

200 W. Washington, Suite 301 Indianapolis, IN 46204 (317) 233-0696 http://www.in.gov/legislative

FISCAL IMPACT STATEMENT

LS 7215 NOTE PREPARED: Jan 11, 2004

BILL NUMBER: SB 482 BILL AMENDED:

SUBJECT: Health Care Quality Indicator Data.

FIRST AUTHOR: Sen. Dillon

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill requires the State Department of Health to develop and implement a health care quality indicator data program. The bill requires compliance with collection requirements. It also provides for confidentiality of certain information.

Effective Date: July 1, 2004.

Explanation of State Expenditures: This bill requires the State Department of Health to develop and implement a health care quality indicator data program. The bill requires compliance with the data collection requirements defined by the Department with the assistance of health coverage providers and health care providers. The bill further specifies that the Department may only collect existing electronically obtainable data elements. The Department may not require a provider to establish or revise data systems to conform to the Health Care Quality Indicator Data Program. The fiscal impact of the program will depend on legislative and administrative action.

Background: The State Department of Health in Rhode Island has been actively operating a program in Health Care Quality Measurement and reporting for at least 5 years. Resources budgeted for the program have been \$338,000 in FY 2002; \$354,000 in FY 2003; and \$162,000 for FY 2004. In 2003, the Rhode Island program was planning to produce two public reports on hospital patient satisfaction and focused hospital clinical performance; selecting and piloting patient satisfaction survey tools for nursing home residents and home health patients; and testing nurse sensitive quality indicators in hospitals.

Explanation of State Revenues:

SB 482+

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Department of Health; Family and Social Services Administration.

Local Agencies Affected: County-owned hospitals and nursing facilities.

Information Sources: Zach Cattell, Legislative Liaison for the State Department of Health; Rhode Island Department of Health at "Rhode Island Health Quality Performance Measurement and Reporting Program, Fifth Annual Report, January 31, 2003" prepared by the Rhode Island Department of Health at www.health.state.ri.us; and The Rhode Island Operating Budget at www.budget.state.ri.us/operating budget.htm.

Fiscal Analyst: Kathy Norris, 317-234-1360.

SB 482+